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LB 1249

area?

SENATOR BOURNE: There is today, as I understand it, in that communities can grant franchises. I know the city of Papillion, the city of Bellevue, they grant franchises to natural gas providers. And again, as I understand it, they can select metropolitan utility district or Aquila in that area, and those are basically suburbs of Omaha.

SENATOR FISCHER: Okay. My next question would be, in this discussion I haven't heard what the state gets out of this. What...you know, what does Nebraska get out of this? What do the citizens get, but more...you know, I've understood from conversations that other states charge a fee for companies to come in and...when they're given these service areas.

SENATOR BOURNE: That's my understanding.

SENATOR FISCHER: So is the state going to charge a fee if we allow these private companies to come in and get these designated service areas?

SENATOR BOURNE: I can't find any type of a fee arrangement in LB 1249 that parallels fee or tax arrangements that other states have obtained when they have given exclusive territories.

SENATOR FISCHER: Can you tell me what other states do?

SENATOR BOURNE: Some...

SENATOR FISCHER: And do they...I mean, is this substantial?

SENATOR BOURNE: I'll get numbers for you,...

SENATOR FISCHER: Okay.

SENATOR BOURNE: ...but as I understand it, some of them, in return for a special exclusive area, they assess a special tax on the provider in that exclusive area. And as I further understand it, some have--I don't want to say a lottery--but they have sold these franchises, and that money, of course,